



General Assembly

February Session, 2004

Amendment

LCO No. 4534

SB0059804534SD0

Offered by:

SEN. DAILY, 33rd Dist.

To: Subst. Senate Bill No. 598

File No. 557

Cal. No. 412

***"AN ACT CONCERNING A PROPERTY TAX HOMESTEAD
EXEMPTION, A DIFFERENTIAL PROPERTY TAX ON VACANT
LAND AND THE PROPERTY TAX CAP AND SURCHARGE
PROGRAM."***

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective from passage*) (a) For purposes of this
4 section, "municipal aggregation unit" means a municipality, political
5 subdivision of a municipality, or group of municipalities that serve as
6 an electric aggregator for the purpose of negotiating the purchase of
7 electric generation services from an electric supplier for all electric
8 customers within the legal boundaries of the subject municipality,
9 political subdivision of a municipality, or group of municipalities.

10 (b) On and after January 1, 2005, there shall be a municipal electric
11 aggregation program. Such program shall allow customers to opt-out
12 of the electric service offered by the municipal aggregation unit, except
13 that customers of competitive electric suppliers, in order to participate

14 in the program, may opt-in to the program. Each municipal
15 aggregation unit that seeks to participate in the demonstration
16 program shall file with the department a letter of intent, draft
17 ordinance and such other documentation as the department may
18 require. The department may establish filing deadlines as it deems
19 appropriate. The department shall review such filings to ensure that
20 the municipalities participating in the demonstration program are
21 collectively representative of the state-wide load as is possible within
22 the program as determined by the department. Each municipal
23 aggregation unit shall retain the services of a firm having expertise in
24 electric aggregation and energy procurement to provide assistance
25 with its participation in the demonstration program, including, but not
26 limited to, the development of its request for proposal. Municipalities
27 or political subdivisions of municipalities that are served by municipal
28 electric utilities that have declined to participate in the competitive
29 electric generation market prior to January 1, 2004, shall not be eligible
30 to participate in this program.

31 (c) A municipality shall initiate a process to form or join a municipal
32 aggregation unit by the adoption of an ordinance.

33 (d) The municipal aggregation unit shall issue a request-for-
34 proposal to licensed electric suppliers for the provision of electric
35 generation service and select a bidder upon the basis of a written
36 analysis that the economic benefits will be equal to or exceed the
37 current or projected economic benefits of receiving electric generation
38 services through transitional standard offer service or standard service.
39 The municipal aggregation unit shall not be subject to the provisions of
40 section 16-245s of the general statutes, as amended.

41 (e) Not later than June 15, 2004, the Department of Public Utility
42 Control shall open a proceeding to develop a set of program
43 requirements which shall include, but not be limited to, the manner by
44 which electric customers are provided (1) notice of the initiation of a
45 program, (2) information regarding rates and environmental
46 characteristics, (3) information regarding contract terms and

47 conditions, and (4) notice regarding a customer's right to cancel
48 service. Electric customers shall be given not less than thirty days
49 notice prior to the initiation of the subject program.

50 (f) Not later than January 1, 2007, the Department of Public Utility
51 Control, in consultation with the Office of Consumer Counsel, shall
52 submit, in accordance with section 11-4a of the general statutes, a
53 report regarding the performance of the municipal electric aggregation
54 program to the joint standing committee of the General Assembly
55 having cognizance of matters relating to energy.

56 Sec. 502. Subdivision (31) of subsection (a) of section 16-1 of the
57 general statutes is repealed and the following is substituted in lieu
58 thereof (*Effective from passage*):

59 (31) "Electric aggregator" means (A) a person, municipality,
60 municipal aggregation unit, as defined in section 1 of this act, or
61 regional water authority that gathers together electric customers for
62 the purpose of negotiating the purchase of electric generation services
63 from an electric supplier, or (B) the Connecticut Resources Recovery
64 Authority, if it gathers together electric customers for the purpose of
65 negotiating the purchase of electric generation services from an electric
66 supplier, provided such person, municipality, unit or authority is not
67 engaged in the purchase or resale of electric generation services, and
68 provided further such customers contract for electric generation
69 services directly with an electric supplier or, in the case of a municipal
70 aggregation unit, such customers contract for electric generation
71 services with an electric supplier in accordance with the provisions of
72 section 1 of this act, and may include an electric cooperative
73 established pursuant to chapter 597.

74 Sec. 503. Section 16-245o of the general statutes, as amended by
75 sections 12 and 13 of public act 03-135, is repealed and the following is
76 substituted in lieu thereof (*Effective from passage*):

77 (a) To protect a customer's right to privacy from unwanted
78 solicitation, each electric company or electric distribution company, as

79 the case may be, shall distribute to each customer a form approved by
80 the Department of Public Utility Control which the customer shall
81 submit to the customer's electric or electric distribution company in a
82 timely manner if the customer does not want the customer's name,
83 address, telephone number and rate class to be released to electric
84 suppliers. On and after July 1, 1999, each electric or electric distribution
85 company, as the case may be, shall make available to all electric
86 suppliers customer names, addresses, telephone numbers, if known,
87 and rate class, unless the electric company or electric distribution
88 company has received a form from a customer requesting that such
89 information not be released. Additional information about a customer
90 for marketing purposes shall not be released to any electric supplier
91 other than a municipal aggregation unit unless a customer consents to
92 a release by one of the following: (1) An independent third-party
93 telephone verification; (2) receipt of a written confirmation received in
94 the mail from the customer after the customer has received an
95 information package confirming any telephone agreement; (3) the
96 customer signs a document fully explaining the nature and effect of the
97 release; or (4) the customer's consent is obtained through electronic
98 means, including, but not limited to, a computer transaction.

99 (b) All electric suppliers except municipal aggregation units shall
100 have equal access to customer information required to be disclosed
101 under subsection (a) of this section. No electric supplier except a
102 municipal aggregation unit shall have preferential access to historical
103 distribution company customer usage data.

104 (c) No electric or electric distribution company shall include in any
105 bill or bill insert anything that directly or indirectly promotes a
106 generation entity or affiliate of the electric distribution company. No
107 electric supplier shall include a bill insert in an electric bill of an
108 electric distribution company.

109 (d) All marketing information provided pursuant to the provisions
110 of this section shall be formatted electronically by the electric company
111 or electric distribution company, as the case may be, in a form that is

112 readily usable by standard commercial software packages. Updated
113 lists shall be made available within a reasonable time, as determined
114 by the department, following a request by an electric supplier. Each
115 electric supplier seeking the information shall pay a fee to the electric
116 company or electric distribution company, as the case may be, which
117 reflects the incremental costs of formatting, sorting and distributing
118 this information, together with related software changes. Customers
119 shall be entitled to any available individual information about their
120 loads or usage at no cost.

121 (e) Each electric supplier shall, prior to the initiation of electric
122 generation services, provide the potential customer with a written
123 notice describing the rates, information on air emissions and resource
124 mix of generation facilities operated by and under long-term contract
125 to the supplier, terms and conditions of the service, and a notice
126 describing the customer's right to cancel the service, as provided in this
127 section. No electric supplier shall provide electric generation services
128 unless the customer has signed a service contract or consents to such
129 services by one of the following: (1) An independent third-party
130 telephone verification; (2) receipt of a written confirmation received in
131 the mail from the customer after the customer has received an
132 information package confirming any telephone agreement; (3) the
133 customer signs a document fully explaining the nature and effect of the
134 initiation of the service; or (4) the customer's consent is obtained
135 through electronic means, including, but not limited to, a computer
136 transaction. A customer who has a maximum demand of five hundred
137 kilowatts or less shall, until midnight of the third business day after
138 the day on which the customer enters into a service agreement, have
139 the right to cancel a contract for electric generation services entered
140 into with an electric supplier. The provisions of this subsection shall
141 not apply to the customers of municipal aggregation units.

142 (f) An electric supplier shall not advertise or disclose the price of
143 electricity in such a manner as to mislead a reasonable person into
144 believing that the electric generation services portion of the bill will be
145 the total bill amount for the delivery of electricity to the customer's

146 location. When advertising or disclosing the price for electricity, the
147 electric supplier shall also disclose the electric distribution company's
148 average current charges, including the competitive transition
149 assessment and the systems benefits charge, for that customer class.

150 (g) Each electric supplier shall comply with the provisions of the
151 telemarketing regulations adopted pursuant to 15 USC 6102.

152 (h) Any violation of this section shall be deemed an unfair or
153 deceptive trade practice under subsection (a) of section 42-110b."